

**IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD**

(Special Original Jurisdiction)

TUESDAY, THE FIRST DAY OF MARCH
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE K.C. BHANU

WRIT PETITION No. 3792 of 2005

Between:

Sri Cement Works, a Proprietary Concern By its Proprietor,
R. Ramanujam, 10-5-425/3, Tukaram Gate, Lalaguda,
Secunderabad - 500 017. PETITIONER

AND

- 1 The A.P. State Financial Corporation, Rep. by its Managing Director,
Chirag-Ali-Lane, Abids, Hyderabad.
- 2 The A.P. State Financial Corporation, Ranga Reddy, (West), Branch I,
5-8-342 Chirag-Ali-Lane, Abids, Hyderabad, rep. by its
Branch Manager.
- 3 M/s. Lakshmi Engineering Works Rep. by M.S.N. Raju Plot No. 20,
Mini Industrial Estate, Hafeezpet, Hyderabad.
- 4 District Industries Centre, Rep. by its General Manager, Balanagar,
Hyderabad.
- 5 The District Collector, Ranga Reddy District, Lakdikapool, Hyderabad.

.....RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed herein the High Court may be pleased to issue WRIT OF CERTIORARI or any other appropriate Writ or direction and call for the records in and connected with the Notice No. AFC/RR(W)BR/A2L/684100/2004-05/2261 dated 5-1-2005 issued by the Respondent No. 1 and quash the same as illegal, arbitrary and violative of article 14 and 21 of the Constitution of India.

Counsel for the Petitioner : Mr.T.K.SRIDHAR

Counsel for Respondent Nos.1&2 : Mr.Y.N.LOHITA, SC FOR APSFC

Counsel for Respondent Nos.4&5 : G.P. FOR INDUSTRIES

The Court at the stage of admission, made the following :

ORDER:

By the proceedings dated 5.1.2005, the second respondent requested the petitioner to avail the opportunity under One Time Settlement Scheme in settling the loan account by submitting concrete proposals with down payment for One Time Settlement within 10 days from the date of the proceedings. Challenging the said proceedings, the present writ petition is filed.

The learned counsel for petitioner Sri T.K.Sridhar submits that the petitioner Unit has been sold and the amounts realized therefrom is sufficient for the loan amount taken, therefore, the question of any payment does not arise.

On the other hand, the learned Standing Counsel for APSFC contended that the writ petition is premature since the petitioner was called for settling the account under One Time Settlement scheme, therefore, no right of the petitioner is infringed, hence, prayed to dismiss the writ petition.

It is a fact that the Petitioner-Unit has been sold in the public auction and the amounts realized therefrom were credited to the account of the petitioner. According to the impugned notice, still an outstanding amount of Rs.5,05,000/- along with interest is due by the petitioner and for that reason only, the petitioner was called to settle the account under OTS scheme advising him to come forward to with concrete proposals with down payment within 10 days from 5.1.2005, otherwise, they will proceed to recover the same.

Heard the learned counsel for the petitioner and the learned Standing Counsel for APSFC and perused the record.

Having regard to the facts and circumstances of the case, the petitioner is directed to avail the opportunity of settling the loan account under One Time Settlement

scheme. In the meanwhile, the respondents are directed to handover a copy of the Loan Account to the writ petitioner, enabling him to come forward with a concrete proposal.

The writ petition, with the above observations and directions, is accordingly disposed of. No costs.

K.C.BHANU, J

Date: 1.3.2005

DA

To

- 1 The Managing Director, A.P. State Financial Corporation, Chirag-Ali-Lane, Abids, Hyderabad.
- 2 The Branch Manager, A.P. State Financial Corporation, Ranga Reddy, (West), Branch I, 5-8-342 Chirag-Ali-Lane, Abids, Hyderabad.
- 3 The General Manager, District Industries Centre, Balanagar, Hyderabad.
- 4 The District Collector, Ranga Reddy District, Lakdikapool, Hyderabad.
- 5 Two CD copies.